



Muthoot Capital Services Ltd.
13th Annual Report



MUTHOOT PAPPACHAN

1927-2004

Founder Chairman

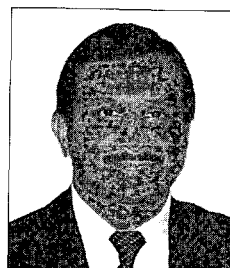
*His vision, enterprise,
simplicity and humaneness
will forever guide us.*



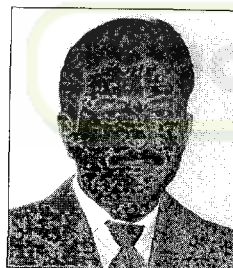
Board of Directors



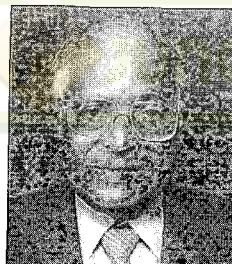
Thomas John Muthoot
CHAIRMAN



Thomas George Muthoot
MANAGING DIRECTOR



Thomas Muthoot
DIRECTOR

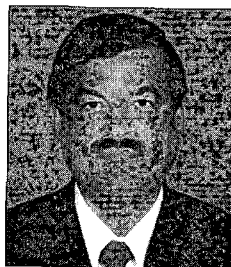


Philip Thomas
DIRECTOR



A.P. Kurian
DIRECTOR

Chief Executive



K. Parameswaran Nair



MUTHOOT CAPITAL SERVICES LTD.

Registered Office

Muthoot Towers
M.G Road, Ernakulam
Cochin – 682 035
Phone: 2351501, 2351506, 2351429

Branches

KERALA

1. 13/248, I Floor, Thottathil Padinjarethil Buildings, Chengannur, Alappuzha – 689 121
2. Ground Floor, TC 38/2433, Muthoot Buildings, Opp. Subash, Aryasala
3. AB 2/279, 1st Floor, Opp. Kumarathupadi Temple, Chandiroom, Alappuzha-688 947.
4. 3/172/2-3, 1st Floor, Victoria Shopping Complex, Kasargod – 671 121
5. 1st Floor, Padson Towers, Koothattukulam, Ernakulam
6. CSI Building, Baker Junction, Kottayam – 686 001
7. 1st Floor, Sree Narayana Soudham, Kuravilangad, Kottayam Dist
8. 11/8, 1st Floor, Ottappalam Automobiles, Building, Palakkad – 678 001
9. 1st Floor, Ankuttikalayil Bldg, Pazhavangadi P.O, Ranni, Pathanamthitta Dist
10. Muthoot Buildings, Punnen Road, Trivandrum – 695 039
11. 12/163 – H, Tharayil Buildings, Opp. Market, Vazhakkala, Ernakulam – 682 030
12. AM 4/133 & 134, 1st Floor, Senai Centre Complex, Angamali, Ernakulam – 683 572
13. 5/3400-1, 2nd Floor, Perachunni Towers, Mavoor Road, Calicut – 673 004
14. 44/972B, 1st Floor, Madathil Parambil Complex, Kaloor, Cochin
15. 8/868, 1st Floor, Riyas Building, Pallimukku, Kollam – 691 010
16. Palakkottu Building, Trivandrum Road, Pulaman Junction, Kottarakkara
17. Market Junction, Kulanada, Pandalam, Pathanamthitta Dist
18. 5/723, Geethanjali, Opp. Sri Gujarathi Vidyalaya, Mattancherry, Ernakulam – 682002
19. GCDA Building, Opp. Kairali Appartments, Panampilly nagar, Ernakulam – 682 036
20. 44/972 – B, 1st Floor, Sai Buildings, Chalakkudy, Trissur – 680 307
21. TP/9/657-661, 2nd Floor, Vrindavan Building, Thamarasherry, Kozhikode – 673 573
22. Standard House, TC 15/1908/1,2,3, Geethanjali Hospital Road, Vazhuthakad, Trivandrum – 695 014

TAMILNADU

23. Door No. 571 A (old), 336, MNP Complex, Kamaraj Road, Palladam Road, Tirupur – 641 004
24. 21/2-57, 1st Floor, MCM Building, PWD Road, Nagercoil, Kanyakumari – 629 002
25. 540/541, 1st Floor, Perumallur Road, Tirupur – 641 602

ANDHRA PRADESH

26. 2nd Floor, Door No 6-16-19-67, Sixth Lane, Arundalepet, Main Road, Guntur, Andhra Pradesh – 522 022
27. 1st Door No. 9-1-150, B. C Road Near Police Beat, New Gajuwaka Junction, New Gajuwaka, Andhra Pradesh – 530 026

MAHARASHTRA

28. Door No. F2/A2, Sector 9, Vashi, New Mumbai

**Board of Directors**

Thomas John Muthoot	: Chairman
A. P. Kurian	: Director
Philip Thomas	: Director
Thomas Muthoot	: Director
Thomas George Muthoot	: Managing Director

Chief Executive

K. Parameswaran Nair

Company Secretary

Malathy N.

Audit Committee

Philip Thomas	: Chairman
A. P. Kurian	
Thomas Muthoot	

Share Holders / Investors Grievance Committee

Thomas Muthoot	: Chairman
Thomas John Muthoot	
Thomas George Muthoot	

Share Transfer Committee

Thomas John Muthoot	: Chairman
Thomas Muthoot	
K. Parameswaran Nair	

Auditors

M/s K. Venkitachalam Aiyer & Co.
Cochin

Solicitors

Dandapani Associates
Cochin

Bankers

ICICI Bank Ltd
HDFC Bank Ltd
Dhanalakshmi Bank Ltd
ING Vysya Bank Ltd

Registered Office

Muthoot Towers, M.G. Road
Ernakulam, Cochin – 682 035
Phone : 0484 - 2351501, 2351506, 2351429
Fax : 0484 – 2381261
E-mail : mail@muthootcap.com
Website : www.muthootcap.com



MUTHOOT CAPITAL SERVICES LTD.

NOTICE

Notice is hereby given that the 13th Annual General Meeting of the members of MUTHOOT CAPITAL SERVICES LTD will be held on 14th August, 2007, at 10.00 A.M at Aangan Hall, Bharat Tourist Home (BTH), D.H Road, Cochin to transact the following business :

I ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2007 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To consider the declaration of dividend on equity shares.
3. To appoint a Director in place of Mr. A. P. Kurian., who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. M/s K. Venkitachalam Aiyer & Co., Chartered Accountants, Building No. 41/3647 B, Providence Road, North End, Ernakulam – 682 018, retire in this meeting and being eligible offers himself for re-appointment.

II SPECIAL BUSINESS

1. To consider and if thought fit to pass, with or without modification, the following resolution as a Special Resolution:
RESOLVED THAT pursuant to provisions of section 149 2(A) and other applicable provisions, if any, of the Companies Act, 1956, consent is hereby accorded to the Company to commence and carry on the business as specified in Clause C (27 (a)) of the Other Objects Clause of the Memorandum of Association.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organization.
2. The Register of Members and Transfer Books of the Company will be closed from 10th August, 2007 to 14th August, 2007, both days inclusive for determining the name of Members eligible for Dividend.
3. Subject to the provisions of Section 206A of the Companies Act, 1956, if dividend recommended by the Board of Directors is approved, payment of such dividend will be made on or before 13th September, 2007, to those members whose names appear on the Company's Register of Members as on 14th August, 2007. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership, as per details furnished by NSDL / CDSL, for this purpose.
4. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the company for the payment of dividend. The Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic



form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the shareholders.

5. Shareholders are requested to inform the Company any changes in their mailing address and also to quote folio numbers in all their correspondence with the Company.
6. Pursuant to Section 205A(5) of the Companies Act, 1956, any money transferred to Unpaid Dividend Account of the company which remain unpaid or unclaimed for a period of Seven (7) years from the date of such transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government and the shareholders shall not be able to claim any Unpaid Dividend from the said fund or from the Company thereafter.
7. Members who have not encashed their dividend warrant(s) for the Financial Year 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005 - 2006 are requested to make their claims to the Company.
8. Members / Proxies are requested to bring the Attendance Slip duly filled in for attending the Meeting. No duplicate will be issued at the venue of the Meeting.
9. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
10. Members are requested to furnish their Bank Account details for printing the same on the dividend warrants to prevent fraudulent encashment of dividend warrants.
11. Members desiring any information about the annual accounts at the meeting are requested to write to the Company so as to reach the Company latest by 2nd August, 2007.
12. NO GIFT COUPONS / GIFT VOUCHERS will be issued to the members.

By Order of the Board of Directors,

Cochin
31st May, 2007

Malathy N.
Company Secretary



MUTHOOT CAPITAL SERVICES LTD.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 5

The company has been doing the leasing and hire purchase of wind mill as part of its business operations. The company proposes to enter into the business of generating renewable energy from wind in view of the opportunities available in this sector.

Generation of energy from wind is covered by Clause C (27 (a)) of the Other Objects Clause of the Memorandum of Association.. Section 149 2(A) of the Companies Act, 1956, specifies that a company can commence any business contained on Other Objects Clause of the Memorandum only after passing a Special Resolution in a General Meeting. Hence the proposed Resolution.

None of the Directors are interested in the resolution.

Your Directors commend the Resolution for approval.

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By Order of the Board of Directors,

Malathy N

Company Secretary

Cochin, May 31, 2007



FIVE YEAR FINANCIAL HIGHLIGHTS

	Rs. in lakhs				
Financial Year ended	2003	2004	2005	2006	2007
Operating Results					
Total Income	262.92	253.68	271.17	441.99	802.88
Profit before tax	71.56	73.51	98.37	165.76	317.63
Profit after tax	45.99	46.66	59.77	107.81	204.6
Assets					
Fixed Assets (including assets leased out)	99.4	79.79	74.67	57.18	46.2
Investments	33.02	12.4	0	0	0
Net stock on hire	631.61	528.39	328.27	233.6	63.18
Other loan, assets (net)	521.07	696.72	931.52	2267.97	3413.57
Total Assets	1285.12	1317.31	1334.47	2559.75	3522.95
Liabilities					
Equity	650	650	650	650	650
Reserves and Surplus	111.66	121.66	136.97	170.67	284.01
Loan Funds	505.38	532.93	535.58	1735.15	2588.94
Deferred Tax Liabilities	18.08	12.72	11.92	3.92	0
Total Liabilities	1285.12	1317.31	1334.47	2559.75	3522.95
Key Indicators					
Earnings per share	0.71	0.72	0.92	1.66	3.15
Dividend per share	0.5	0.5	0.6	1.00	1.2
					(Proposed)
Book value per share	11.64	11.83	12.11	12.63	14.37



MUTHOOT CAPITAL SERVICES LTD.

FIVE YEAR FINANCIAL HIGHLIGHTS

